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The Director of Central Intelligence
- Washington, D.C. 20505

11 June 1985

National Intelligence Council

NOTE FOR: Herbert Meyer

Vice Chairman, National Intelligence Council

FROM:

George Kolt

National Intellgence Officer for Europe

SUBJECT:

NSSD on US Policy Toward Canada

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and I attended the IG meeting which started this process on 19 April 1985. Michael is currently participating in the working group that is developing sections 2 and 3 of the study. I expect that the entire study will be sent to all agencies for coordination and final approval will be given at the future meeting which Mike and I will attend.

George Kolt

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CIA

United States Department of State

Washington, D.C. 20520

Executive Registry

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June 1, 1985

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Interagency Group No. 52

TO:

OVP Mr. Donald Gregg
NSC Mr. Robert Kimmitt
Agriculture Mr. Randy Russell
CIA

Commerce Defense Energy EPA Interior NASA OMB Treasury USIA USTR Mrs. Helen Robbins
Col. David R. Brown
Mr. William Vitale
Mr. Fitzhugh Green
Mr. Stephen Gleason
Mr. Kenneth Pederson
Mr. Alton Keel

Mr. Edward Stucky Mr. C. William LaSalle Mr. Dennis Whitfield

SUBJECT: Post-Quebec NSSD on US Policy Toward Canada

Attached is an NSC tasker for the post-Quebec NSSD on US-Canada relations. This copy is meant for agencies participating in the State Department-led foreign policy part of the study. As with the earlier study, Treasury will distribute copies to the Economic Council agencies.

Please note that the first submissions are due to the NSC on June 20. Therefore, IG-cleared drafts should be turned in to State (Attn: EUR/CAN, Carroll Brown, Room 5227) by COB June 18. State will then draft an Executive Summary to be forwarded together with the cleared papers to the NSC.

br Nicholas Platt Executive Secretary

Attachment

DECL: OADR

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June 3, 1985

MEMORANDUM FOR JAMES MEDAS

Descrip Assistant Secretary

Dahariment of State

ROBERT COFNELL

Deputy Assistant Secretary Department of the Treasury

STEVE ROSEN

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FROM:

TYRUS W. COBB

SUBJECT:

National Security Study on Canada

NSSD 1-85 directed that we undertake a comprehensive review of the overall relationship between the United States and Canada. We have completed the first phase of this review, including the production of a national security study focused on the March 17-18 summit between the President and Prime Minister Mulroney. In the second phase, we will produce another national security study oriented toward developing a strategy for the long-term management of Canadian-American relations. The study will be accompanied by a brief set of policy recommendations that will represent the substance of a National Security Decision Directive (NSDD) to be issued by the President.

The President was very appreciative of the excellent staff work that was accomplished prior to the Quebec trip, and was extremely pleased with the conduct of the two-day summit. Senior White House officials have remarked that the Quebec trip was one of the best prepared and managed Presidential visits. The interagency group charged with the responsibility of preparing the papers for the summit were singled out for praise for their policy analysis recommendations.

You have already initiated the IG process for the preparation of the long-range strategy paper, but I want to lay out a projected sequence of events and a timeframe that we should shoot for, a table of contents for the NSS, and some suggestions on the format of the strategy paper. I prefer that your IGs provide me with your draft study papers and policy recommendations which I will then integrate and synthesize. The comprehensive paper will then be returned to you for final review prior to submission to the SIGs. In this manner, we can obtain approval from both the

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SIG-FP and the EPC of the same document prior to submission to the Rresident. Depending on the extent of interagency differences that arise, it may be necessary to hold an MSC meeting to discuss the final study and policy recommensations.

CONTENT

Your analysis should not repeat, but build on the foundation laid in the excellent national security study produced in Fehruary. However, while the focus of that document was on the short-term, specifically the Quabec Summit, this study should be oriented on the development of a long-range strategy for the conduct of our relationship with Canada and the delineation of a tactical framework for the accomplishment of our objectives. I would not anticipate that the study itself and the policy recommendations will exceed fifteen pages in length. I have no objection to the inclusion of annexes relating to the various areas of concern, but I would ask that these be restricted to no more than three pages each. Additional supporting documentation should be available for reference and be maintained by the agencies concerned.

FORMAT

As I noted, the points of departure for this tasking are the papers prepared in the first pre-Quebec phase of this exercise and the documents issued and commitments undertaken at the Summit. The Executive Summaries of the documents coordinated by State and Treasury should thus represent a "snapshot" of where we are today in the bilateral relationship and should then lay out our objectives over the next few years. This should be followed by a strategy for the accomplishment of our goals and a tactical framework for the implementation of the strategy. Please keep in mind that the overall purpose of this study is to identify ways to continue the momentum achieved in Quebec and to lend continuity and predictability to the relationship.

Specifically, the papers prepared under each chapter should begin with a succinct description of where we are now on the issue ("Setting"), with any necessary explanatory information next under "Background." This should be followed by a list of specific policy objectives/goals ("U.S. Objectives") and a strategy/tactical framework ("Strategy") for the accomplishment of these goals. It may be useful to include a timetable delineating critical milestones.

TIMEFRAME

We are aiming for the accomplishment of the national security study with the draft policy recommendations by the first week of July. As such, I would suggest the following timetable:

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June 20 -- Submission of IG-approved study and policy recommendations to the NSC.

July 1 -- Comprehensive document returned for final IG review.

July 8 -- SIG approval of comprehensive paper.

July 15 -- NSC Meeting (if necessary).

July 25 -- NSDD issued.

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 - B. Limits to closer U.S.-Canada ties
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- III. Security (DOD/State)
 - A. Canada's military posture
 - B. Defense trade and economic cooperation $\frac{1}{2}$
 - C. Renewal of NORAD
 - D. Canada's rele in SDI
- IV. Technology Transfer (NSC)
 - A. Goals of present consultations
 - B. Adequacy of U.S. laws and regulations vis-a-vis Canada
- V. Economic Policy and Investment (Treasury)
 - A. Outlook for Canadian economy
 - B. Closer policy coordination?
 - C. Foreign investment controls
- VI. Trade (USTR)
 - A. Outlook for freer bilateral trade
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- VII. Energy (DOE/State)
 - A. Freer North American energy trade? -
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VIII. Environment (EPA/State)
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A. Remaining Pacific Coast problems
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1/ Defense offsets to be treated by EPC IG
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